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**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK**

_____		07-MD-1898 (TCP)
IN RE AMERICAN HOME MORTGAGE	)	
SECURITIES LITIGATION	)	Electronically filed
_____	)	
THIS DOCUMENT RELATES TO	)	
ALL CLASS ACTIONS	)	
_____	)	

**[PROPOSED] ORDER APPROVING  
PLAN OF ALLOCATION OF NET SETTLEMENT FUNDS**

This matter came for hearing on January 13, 2010 (the "Settlement Hearing") on Lead Plaintiffs' Motion For Final Approval Of Class Action Settlements And Plan Of Allocation in the above-captioned consolidated securities class action (the "Action").

The Court having considered all matters submitted to it at the Settlement Hearing and otherwise; and it appearing that a notice of the Settlement Hearing substantially in the form approved by the Court was mailed to all persons and entities reasonably identifiable, as shown by the records of American Home Mortgage Investment Corp.'s ("American Home") transfer agent, and the records of the Underwriter Defendants, at the respective addresses set forth in such records, who purchased or otherwise acquired shares of American Home common and/or preferred stock during the period from July 19, 2005 through and including August 6, 2007, including all persons or entities who purchased or otherwise acquired shares of American Home common stock pursuant or traceable to the registration statements issued in connection with the secondary offerings conducted on or about August 9, 2005 and on or about April 30, 2007, and who were allegedly damaged thereby, except those persons or entities excluded from the

definition of the Class, and that a summary notice of the hearing substantially in the form approved by the Court was published in the national edition of *The Wall Street Journal* and transmitted over the *PR Newswire* pursuant to the specifications of the Court; and the Court having considered and determined the fairness and reasonableness of the proposed Plan of Allocation of the Net Settlement Funds.

IT IS HEREBY ORDERED, that:

1. This Order approving the proposed Plan of Allocation incorporates by reference the definitions in the Stipulations and Agreements of Settlement with the Individual Defendants, defendant Deloitte & Touche LLP and with the Underwriter Defendants, dated April 8, 2009, July 1, 2009 and July 1, 2009, respectively (the "Settlement Stipulations") and all terms used herein shall have the same meanings as set forth in the Settlement Stipulations.

2. The Court has jurisdiction to enter this Order approving the proposed Plan of Allocation, and over the subject matter of the Action and all parties to the Action, including all Class Members.

3. Notice of Lead Plaintiffs' motion for approval of the proposed Plan of Allocation was given to all Class Members who could be identified with reasonable effort. The form and method of notifying the Class of the motion for approval of the proposed Plan of Allocation met the requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and Section 27 of the Securities Act of 1933, 15 U.S.C. § 77z-1(a)(7) and Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995, and constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

4. While more than 131,400 copies of the Notice of Pendency of Class Action and Proposed Settlements, Settlement Fairness Hearing and Motion for Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice"), which set forth the proposed Plan of Allocation, were mailed to potential Class Members, only one objection to the proposed plan was submitted. The Court has considered the objection and found it to be without merit.

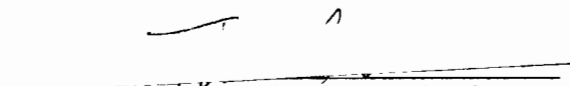
5. The Court hereby finds and concludes that the formula for the calculation of the claims of Authorized Claimants as set forth in the Notice mailed to Class Members provides a fair and equitable basis upon which to allocate the proceeds of the Net Settlement Funds among Class Members with due consideration having been given to administrative convenience and necessity.

6. The Court hereby finds and concludes that the Plan of Allocation set forth in the Notice is, in all respects, fair and equitable to the Class. Accordingly, the Court hereby approves the Plan of Allocation proposed by Lead Plaintiffs.

7. There is no just reason for delay in the entry of this Order, and immediate entry by the Clerk of the Court is expressly directed.

Dated:

January 14, 2010

  
The Honorable Thomas C. Platt  
United States District Judge